

Message Text

LIMITED OFFICIAL USE

PAGE 01 ANKARA 01251 161113Z
ACTION EUR-12

INFO OCT-01 ISO-00 EB-08 TRSE-00 /021 W
-----040211 161126Z /10

P R 160715Z FEB 78
FM AMEMBASSY ANKARA
TO SECSTATE WASHDC PRIORITY 703
INFO USDOC WASHDC
AMCONSUL ADANA
AMCONSUL ISTANBUL
AMCONSUL IZMIR

LIMITED OFFICIAL USE ANKARA 1251

E.O. 11652: N/A
TAGS: BDIS, EFIN, TU, US
SUBJECT: TURKISH ARREARAGES TO US EXPORTERS

1. 1. EMBASSY COMATT CALLED ON ZEKERIYA YILDIRIM, DEPUTY DIRECTOR GENERAL, FOREIGN EXCHANGE DEPARTMENT, TURKISH CENTRAL BANK, FEBRUARY 15 TO PRESENT TO HIM UP-DATED LIST OF U.S. FIRMS WHICH HAVE CONTACTED EMBASSY REGARDING PAYMENTS OVERDUE THEM ON EXPORTS TO TURKISH END-USERS. IN ADDITION TO NEW LIST OF 10 FIRMS WHICH HAVE RECENTLY COME TO OUR ATTENTION, COMATT ALSO HANDED YILDIRIM COPY OF FIRST LIST OF 21 FIRMS PRESENTED TO CENTRAL BANK IN OCTOBER 1977.

2. COMATT NOTED THAT THESE LISTS OF COURSE DID NOT CONSTITUTE COMPLETE LISTING OF U.S. FIRMS AWAITING DOLLAR TRANSFERS FROM CENTRAL BANK. THEY WERE FIRMS THAT HAD COME TO EMBASSY ATTENTION EITHER AS RESULT OF VISITS OR LETTERS TO EMBASSY, OR INQUIRIES FROM WASHINGTON. COMATT SAID HE WAS FULLY AWARE OF PROBLEMS FACED BY CENTRAL BANK IN EFFECTING THESE TRANSFERS IN CURRENT TURKISH FINANCIAL SITUATION. HE WAS OBLIGED, HOWEVER, TO BRING THESE
LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 02 ANKARA 01251 161113Z

CASES TO CENTRAL BANK'S ATTENTION AND RESPOND ACCORDINGLY TO EACH FIRM ON LIST. COMATT POINTED OUT THAT IN MANY CASES CONSIDERABLE HARDSHIP, PARTICULARLY TO SMALL FIRMS, WAS RESULTING FROM LACK OF PAYMENT FOR GOODS EITHER SHIPPED OR COMMITTED TO TURKISH PURCHASER.

3. YILDIRIM (WHO WAS CONSIDERABLY MORE FORTHCOMING THAN

HIS COLLEAGUE HICYILMAZ LAST OCTOBER) EXPRESSED UNDERSTANDING OF OUR CONCERN. AS EXPECTED, HOWEVER, HE SAID HE WAS UNABLE TO MAKE ANY ESTIMATE AS TO WHEN THESE OUTSTANDING PAYMENTS WOULD BE MADE. HE EXPRESSED MODERATE OPTIMISM THAT WHEN NEW GOVERNMENT'S ECONOMIC PROGRAM WAS IN PLACE "IN A MONTH OR SO" IT MIGHT BE POSSIBLE AT LEAST TO TELL INQUIRERS ROUGHLY HOW MUCH LONGER THEY WILL HAVE TO WAIT. HE MADE CLEAR, HOWEVER, THAT AT PRESENT NO PAYMENTS OF THIS KIND WERE BEING AUTHORIZED OR MADE. ONLY HIGHEST PRIORITY PAYMENTS SUCH AS FOR CRUDE OIL, MEDICINES MAJOR DEFENSE EQUIPMENT, CHEMICAL FERTILIZERS AND PUBLIC DEBTS WERE BEING PROCESSED AT PRESENT (AND, AS DEPARTMENT KNOWS, THERE ARE CASES OF SUBSTANTIAL DELINQUENCIES EVEN ON THESE).

4. IN RESPONSE TO QUESTION AS TO ORDER IN WHICH COMMERCIAL ARREARAGES WOULD BE CLEARED UP WHEN FOREIGN EXCHANGE AGAIN BECOMES AVAILABLE, YILDIRIM SAID HE COULD NOT SAY DEFINITELY UNTIL FUNDS WERE IN FACT AVAILABLE AND CENTRAL BANK HAD ACTUALLY RESUMED PAYMENTS. HE EXPRESSED PERSONAL OPINION THAT PAYMENT WOULD BE IN CHRONOLOGICAL ORDER, OLDEST FIRST, BASED ON DATE ON WHICH TURKISH LIRA EQUIVALENT WAS DEPOSITED WITH CENTRAL BANK. HE ADDED THAT FIRST PRIORITY WOULD, OF COURSE, GO TO TRANSFERS THAT HAD BEEN AUTHORIZED BY CENTRAL BANK BUT NOT EFFECTED. HE SAID THAT AS OF END OF DECEMBER 1977 THESE AUTHORIZED BUT STILL PENDING TRANSFERS TOTALLED 253 MILLION DOLLARS. ANOTHER 1.6 BILLION DOLLARS WAS AWAITING BOTH AUTHORIZATION LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 03 ANKARA 01251 161113Z

AND TRANSFER BY THE CENTRAL BANK.

5. COMMENT. EMBASSY PLANS TO DRAFT MORE OR LESS FORM LETTER TO FIRMS ON LISTS, APPRISING THEM OF SUBSTANCE OF YILDIRIM'S RESPONSE TO OUR INQUIRY. DEPARTMENTS OF STATE AND COMMERCE MAY ALSO WISH TO DRAW ON FOREGOING TO RESPOND TO INQUIRIES RECEIVED IN WASHINGTON. COPIES OF BOTH LISTS BEING POUCHED TO DEPARTMENT OF STATE, EUR/SE, ATTENTION ED MARCOTT AND DEPARTMENT OF COMMERCE, OIM, ATTENTION SALLY MILLER. SPIERS

LIMITED OFFICIAL USE

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 jan 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: CLAIMS, EXPORTERS, DEBT REPAYMENTS
Control Number: n/a
Copy: SINGLE
Draft Date: 16 feb 1978
Decaption Date: 01 jan 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 20 Mar 2014
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1978ANKARA01251
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Expiration:
Film Number: D780071-0624
Format: TEL
From: ANKARA
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1978/newtext/t19780249/aaaabpop.tel
Line Count: 104
Litigation Code IDs:
Litigation Codes:
Litigation History:
Locator: TEXT ON-LINE, ON MICROFILM
Message ID: 0ec3f2d8-c288-dd11-92da-001cc4696bcc
Office: ACTION EUR
Original Classification: LIMITED OFFICIAL USE
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
Previous Channel Indicators: n/a
Previous Classification: LIMITED OFFICIAL USE
Previous Handling Restrictions: n/a
Reference: n/a
Retention: 0
Review Action: RELEASED, APPROVED
Review Content Flags:
Review Date: 05 may 2005
Review Event:
Review Exemptions: n/a
Review Media Identifier:
Review Release Date: N/A
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
SAS ID: 3578975
Secure: OPEN
Status: NATIVE
Subject: TURKISH ARREARAGES TO US EXPORTERS
TAGS: BDIS, EFIN, TU, US
To: STATE
Type: TE
vdkgvwkey: odb://SAS/SAS.dbo.SAS_Docs/0ec3f2d8-c288-dd11-92da-001cc4696bcc
Review Markings:
Sheryl P. Walter
Declassified/Released
US Department of State
EO Systematic Review
20 Mar 2014
Markings: Sheryl P. Walter Declassified/Released US Department of State EO Systematic Review 20 Mar 2014